VZCZCXRO2515 OO RUEHAG RUEHDF RUEHIK RUEHLZ RUEHROV RUEHSR DE RUEHRL #1702 3571414 ZNR UUUUU ZZH O 221414Z DEC 08 FM AMEMBASSY BERLIN TO RUEHC/SECSTATE WASHDC IMMEDIATE 2914 INFO RUCNMEM/EU MEMBER STATES COLLECTIVE PRIORITY RUCNFRG/FRG COLLECTIVE PRIORITY RUEHMU/AMEMBASSY MANAGUA PRIORITY 0047 RUEHDF/AMCONSUL DUSSELDORF PRIORITY 0171 RUEHFT/AMCONSUL FRANKFURT PRIORITY 7804 RUEHAG/AMCONSUL HAMBURG PRIORITY 0240 RUEHLZ/AMCONSUL LEIPZIG PRIORITY 0175 RUEHMZ/AMCONSUL MUNICH PRIORITY 1963 RUEATRS/DEPT OF TREASURY WASHINGTON DC PRIORITY RUEHC/DEPT OF LABOR WASHINGTON DC PRIORITY

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SENSITIVE

STATE FOR WHA/CEN(KRAAIMOORE), EEB/IFD/ODF, IO/EDA AND EUR/AGS SIPDIS

E.O. 12958: N/A

TAGS: <u>EFIN ECON</u> <u>EAID PREL UNGA NU GM</u>
SUBJECT: GERMAN RESPONSE TO DEMARCHE ON ASSISTANCE TO NICARAGUA FOLLOWING FRAUDULENT ELECTIONS

REF: STATE 132044

- 11. (SBU) On December 22, 2008, Econoff spoke with Christiane Botschen, Deputy Head of Division for Mexico, Central America & Caribbean, German Ministry of Foreign Affairs, to urge host country suspension of assistance to Nicaragua following the fraudulent November 9 municipal elections. Having frozen budgetary aid a year ago, Germany is in broad agreement with U.S. imperatives regarding the suspension of assistance to Nicaragua, reported Botschen. Germany is a member of the International Donors Group and is also the head of the Elections Group, she said, which issued a separate statement critical of the November 9 elections. Botschen said the European Union (EU) was likewise engaged on the issue. EU Commissioner for External Relations Benita Ferrero-Waldner recently sent a letter to Nicaraguan Foreign Minister Samuel Santos Lopez informing him the EU Commission would suspend assistance as of 2009, according to Botschen.
- 12. (SBU) Botschen noted Germany had not drawn a direct link between assistance to Nicaragua and the November 9 elections in its communications with the Nicaraguan government. Rather, Germany's statements emphasized the need for adherence to "democratic principles." Germany is in "constant talks" with the government of Nicaragua concerning the need for democratic reform, she commented. Botschen confided, however, she was not optimistic at this point. Koenig